

Government of the District of Columbia



Department of Small and Local Business Development

Testimony of
Erik A. Moses
Director

**PR17-236 "Director of the Department of Small and Local
Business Development Erik A. Moses Confirmation"**

Committee on Economic Development
Honorable Kwame R. Brown, Chairman
Council of the District of Columbia

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Room 412
John A. Wilson Building
1350 Pennsylvania Avenue, NW
Washington, DC 20004
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Good afternoon Chairman Brown and members of the Committee on Economic Development. My name is Erik Moses and I come before you today as Mayor Fenty's nominee to serve as the Director for the Department of Small and Local Business Development. I am grateful for the opportunity to appear before you today.

Background

I'd like to begin my testimony today by sharing a little history about myself, and my work in the private sector and for the District of Columbia Government. I would then like to provide an overview of my assessment of the operations of the Department of Small and Local Business Development and my vision for the agency.

I want to assure you Chairman Brown, members of the Committee and residents of the District of Columbia, that I have the demonstrated ability to provide strong leadership and direction to this Department and will work diligently to ensure that we continue to develop and execute small business opportunities that have a significant positive impact on all those who live, work and visit within our city.

Above all, it is my intention to continue to transform the Department of Small and Local Business Development into a high performing, effective and results driven organization that provides superior service to District-based small businesses.

Personal Background

For the record, I am an 11-year resident of the District of Columbia. My wife, Mioshi James Moses, and I have lived in the Crestwood neighborhood of Ward 4 for eight years, where we are raising our two sons, Evan, age six and Ethan, who is 14 months. As parents and residents of this wonderful city, we share Mayor Fenty's commitment to make the District a WORLD CLASS CITY.

I received my BA in Political Science from the University of North Carolina at Chapel Hill and my JD from the Duke University School of Law. I am a member of the Maryland bar and the District of Columbia bar, and a former member of the American Bar Association, National Bar Association, the National Black MBA Association and the International Conference of Shopping Centers.

Throughout my professional career, I have worked with large and small companies and entrepreneurs to achieve their business objectives. I have proven expertise in structuring and negotiating complex transactions, drafting commercial agreements and have routinely counseled businesses on various matters affecting their operations – first as a transactional attorney and later as a business development director and entrepreneur.

I began my career in private practice in Washington, DC with the law firm of Dow Lohnes PLLC. In this capacity, I represented several large media and communications companies in merger and acquisition transactions as well as regulatory and compliance matters following the passage of the landmark Telecommunications Act of 1996.

As a young lawyer, I cut my teeth buying and selling TV and radio stations for commercial broadcast clients. I was instrumental in helping one of the firm's broadcast clients to become the single largest owner of commercial television stations in the nation by serving as lead counsel in scores of transactions to acquire and sell commercial radio and television stations throughout the country.

I left private practice to join the America Online division of the world's largest media company, Time Warner. At AOL, I served as primary legal counsel to several business units including MapQuest, Moviefone, and AOL Entertainment. Later, I served as a director of business development for the International and Web Services division where I was responsible for building strategic alliances and other commercial partnerships related to the development and distribution of new interactive products and services.

I left AOL to pursue a professional and personal dream of becoming a successful entrepreneur. During this time I founded a private investment firm with 2 partners and pursued real estate development transactions and leveraged buyouts of small operating companies. It is my experience as a

struggling entrepreneur that has most prepared me for the position that I now seek to occupy for the District.

District Government Service

Prior to my appointment in January as Interim Director of the Department of Small and Local Business Development by Mayor Fenty, I served as the Deputy Director of the agency from March 2006 to December 2006. In that role, I was responsible for establishing the newly created Office of Business Opportunities and Access to Capital.

In addition to my passion for and commitment to assisting District-based businesses, especially those small and disadvantaged firms, I bring insight into the challenges, successes and failures of the agency gained from my time as Deputy Director. As you are aware, I am the third Director of the agency in the last 18 months. The Department's challenge amidst all of this change has been to stabilize and improve current operations in the certification and compliance areas while developing value-added programs and hiring staff. I am confident that my leadership will be a stabilizing agent for the Department, our staff and the business community.

DSLBD Going Forward

Given the importance of small business to the economic and cultural base of the District and its renaissance in real estate and neighborhood development, it is essential that we pursue wholeheartedly the charge to transform the Department of Small and Local Business Development into an agency that supports the building of capacity of our entrepreneurs and small business owners to better compete in the marketplace.

However, this is a transformation that I cannot undertake alone. The successful transformation of the agency requires the support of the Mayor; City Administrator; Deputy Mayor for Planning and Economic Development; the Council; dedicated and capable DSLBD staff; fellow District agencies; non-profit and corporate partners and more importantly, our small and local business community.

I am confident that I can engage these various stakeholders in a way that will earn their respect and support of the agency and its efforts to develop a more robust and diverse local business community.

Now I will share with you some of the exciting work of the Department during my first four months in my role as Interim Director.

Accomplishments

Over the last four months, the Department has streamlined agency operations in an effort to better serve our small and local businesses. Since January, the Department has:

- requested and accepted transfer of the agency's HR process from the Deputy Mayor's Office
- negotiated additional office space in OJS, creating additional savings by avoiding DSLBD relocation and rental fees
- requested and accepted primary responsibility for notifying denied applicants of the SLBOC's intent to deny their application from OAG
- conducted an in-depth analysis of application activity and volume so as to definitively determine our backlog and performance
- proposed to integrate the certification process into the agency to speed certification process for applicants
- initiated discussions with OCFO to streamline agency compliance reporting and monitoring
- strengthened MOUs for private sector partners receiving economic assistance from the city
- reduced the current application backlog of certification_applications

- Since January, we have been able to make significant strides to staff the agency at full complement. We have been able to add 9 additional FTEs to our staff. When I joined DSLBD last March, the agency was staffed with only 6 full time employees and as many as 5 extended-term temporary employees. Now 18 months later, our agency has increased the number of FTEs from 6 to 21 and reduced the number of temporary employees from 5 to 1. We are currently recruiting for 2 Business Development Specialist and a Deputy Director.

Programmatic Expansion

- We have overseen a significant programmatic expansion that includes the addition of two Department divisions: The Office of Business Opportunities and Access to Capital and the Office of Training and Education. Both offices have already been greatly responsive to small business needs (e.g. disseminating scores of business opportunities and engaging agencies and private firms on behalf of LSDBEs).
- The Department responded quickly to the Eastern Market tragedy by dispatching a specialist team to assist small businesses impacted by the fire that ravaged the District's historic marketplace and coordinating the initial response of other District agencies, the SBA and local non-profits. DSLBD's involvement in this matter is a central part of Mayor Fenty's

commitment to provide transitional resources and support to affected small business owners.

- DSLBD is working with the Department of Consumer and Regulatory Affairs (DCRA) with the implementation of the Street Vendor Program. Under DCRA policy, LSDBE certified vendors will be given location preference via a lottery separate from uncertified vendors. We have been instrumental in drafting and disseminating a vendor certification application and have participated in several planning and information sessions to explain the application process and the LSDBE benefits as they pertain to the Vendor Program.
- In early January, we partnered with District of Columbia Public Schools to promote the DCPS Job Order Contracting Pre-solicitation Conference. The Conference was held to familiarize potential contractors and subcontractors with DCPS's newly established contracting tool for the DC school renovation projects totaling nearly \$40 million in contracts.
 - ✓ JOC consists of an issuance of a series of individual job orders to the contractor. The individual job orders are used as incentives for the contractors to provide quality, timely services to receive the

next job order. A majority of the Conference attendees were certified local companies. As procurement panelist, DSLB fielded a number of questions regarding the LSDBE law requirements for contracting, subcontracting and joint ventures.

- ✓ Prior to the event, DSLBD conducted outreach efforts to ensure that LSDBEs were aware of the event. We will continue to update our certified firms as the DCPS procurement process moves forward.

Outreach Activities

The Department of Small and Local Business Development takes seriously its commitment to advance, develop and support small businesses. To that end, I personally have met with and presented to numerous local organizations and forums.

If I may, I'd like to highlight some of these activities:

- Our ongoing review of best practices by state and local governments included a visit to our counterparts in New York City. The discussions and meetings provided us with key approaches to

certification, neighborhood development and performance management.

- In April, the Department was a co-sponsor of the Inaugural Development and Construction Conference held at the Washington Convention Center. We drew about 400 registrants, most of whom were LSDBEs. The conference was the first of its kind in the District and our hope is that it will transform the way that our city approaches small business and workforce development by engaging government, non-profit and community stakeholders in the forecasting of opportunities well ahead of project commencement. Next year, an increase in our own capacity will allow us to produce the conference.
- Forums and workshops continue to be a key approach to promote information about the District's business opportunities and our programs and services. Presentations have been made to:
 - ✓ 30 international business leaders hosted by the State Department
 - ✓ DC Building Industry Association
 - ✓ Ibero American Chamber of Commerce
 - ✓ Minority Business Development Agency of the US Commerce Department, andDialogues with community-based organizations such as:
 - ✓ Mt. Pleasant Main Streets

- ✓ Barracks Row Main Streets
- ✓ H Street Main Streets
- ✓ Gateway Georgia Ave Main Streets
- ✓ Dupont Circle Merchants and Professional Association
- ✓ Howard University SBDC
- ✓ Anacostia Economic Development Corporation SBDC
- ✓ DC Chamber Business Resource Center
- ✓ Southeastern University
- ✓ the Ward 5 Economic Development Conference, and the
- ✓ Ward 8 Business Roundtable, and Marshall Heights
Community Development Organization.

- As a member of the Retail Action Strategy Team, the Department has a seat at the table to represent the perspective of local, independent retailers (such as the Ben's Chili Bowls on U Street and the Tiny Jewel Boxes on Connecticut Avenue). The strategy is intended to address needs that include fostering entrepreneurship and creativity in retail, reversing the leakage of more than \$1 billion dollars of annual resident retail spending and attracting and retaining the appropriate mix of local, small and independent retailers as well as national brands.
- The Department presented at the 3rd Annual Spring 2007 Neighborhood Retail Summit in March before a sold-out audience.

Sponsored by the DC Economic Partnership, the event created a forum for retailers to discuss the challenge and reward of starting sustaining and expanding businesses in the District.

- The Department is working to better synchronize our communications and outreach efforts, advanced by one of our key hires, the director of communications. A comprehensive branding and marketing initiative is critical to fulfill the Mayor's economic development vision to create a City of Opportunity for the District's small and local business community. Our efforts will focus on marketing and education campaigns, materials development, outreach and special events to better communicate our programs and services. For example, trainings and meetings with OCTO are underway to facilitate a business friendly homepage.

Award

If recognition is an indicator, The Department is making its mark within the small business community. Next month, we will receive the District of Columbia Bar's "2007 Best Bar Project Award" recognizing our participation and "outstanding work" in the Small Business Initiative. During the past year, the Department assisted in providing training to disadvantaged small business owners in the District.

Vision

- District development officials have forecast \$50 billion of at least half a dozen, iconic, neighborhood-transforming projects in the pipeline over the next 10 years.

- These projects represent once-in-a-generation opportunities. They are critical toward the Mayor's goal of making the District of Columbia a WORLD CLASS CITY. Our role is to ensure that LSDBEs play a significant role in bringing these projects to life.
- We must not only keep the momentum going, we need to steer opportunity toward our small and local businesses.
- We will accomplish this mission by providing comprehensive support services for the District's small businesses, including retailers, micro businesses and more mature businesses poised for growth.
- Through its expanded programs and services, the Department of Small and Local Business Development will strive to be a national example for best practices with the primary intent to foster economic growth and development of the District's entrepreneur.
- Going forward, I believe that with the support of strategic partnerships and value-added programs we can create a fertile field that links our small businesses to opportunity.

Conclusion

In conclusion, I would like to take this opportunity to thank you, Chairman Brown and the committee members for allowing me to speak today and I ask for your support in confirming my nomination and assisting our agency to move closer to fulfilling its mission. I look forward to furthering our working relationship as we continually improve our services and programs.

Thank you.